THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) to (c) There is no formula for fixing the prices of levy-free sugar which are determined by the market forces. As regards levy sugar, the ex-factory levy sugar prices are fixed under the provisions of Section 3(3C) of the Essential Commodities Act, 1955.

**National Plan for agro-food industry**

3611. SHRIMATI SHABANA AZMI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the agro-food industry has called for an urgent coining of a long-term national plan for its growth;

(b) if so, whether they have welcomed the budget but have pointed out that industry suffered losses to the tune of around Rs. 35,000 crore due to colossal wastage of produce;

(c) whether they have made any suggestions in this regard;

(d) if so, the details thereof; and

(e) the steps being considered to improve the agro-food industry?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) The Ministry of Food Processing Industries has been interacting with the Industry Associations. A Draft National Policy on Food Processing Industry has also been prepared as a response to a felt need.

(b) Industry Associations have generally welcomed the Budget. The post-harvest wastage of food commodities has been estimated to be in the range of Rs. 35,000/- crores per annum. The Plans of the Government are designed to reduce this wastage over time.

(c) and (d) The high rate of taxation and multiplicity of food laws, as well as, the cost of capital have been pointed out as some of the factors impeding the growth of the sector. Suggestions have been made to rationalise and simplify the tax structure both at the Central level and State level, as also, to harmonise food standards and bring about a single law and a single agency for this purpose.

(e) The Government of India has brought to zero level the excise duty on processed fruits and vegetables. The excise duty on aerated soft drinks has been reduced from 32% to 24%. Excise duty on biscuits, boiled sweets, sugar confectionery (excluding white chocolate) has been brought down from 16% to 8%. Further, the Ministry has also requested the State/Union Territories to rationalise and simplify the various taxes imposed by them so as to create an enabling environment for the growth of food processing sector.

**Sale of wheat to flour mills**

3612. SHRI R.P. GOENKA:
PROF. RAM DEO BHANDARY:
SHRI EKANATH K. THAKUR:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government have sold 10 million tonnes of luster lost, damaged by rain and low shelf life 'Animal feed' wheat meant for export, to flour mills;

(b) if so, the reasons for low quality of wheat crop;

(c) the quantity of wheat used of this; and

(d) whether Government carried out any investigations in this matter including its quality and fitness for human consumption and the present status of the left out stocks?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) to (d) No, Sir. The lustre lost wheat *i.e.* the wheat which had lost its natural lustre due to rains during the advanced stage of the maturity of the crop was procured for the Central Pool during the year 2001-02 in the States of Haryana, Punjab and Uttar Pradesh. After getting the analytical tests conducted by the Government, the nutritional value of the lustre lost wheat stocks was found to be at par with that of the sound grain wheat and the stocks well within the PFA Standards of wheat fit for human consumption. The procured stocks of lustre lost wheat have been liquidated through lifting under the targeted Public Distribution System and other Welfare Schemes, and sale for export